

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 307**  
**91ST GENERAL ASSEMBLY**

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Reported from the Committee on Ways and Means, April 12, 2001, with recommendation that the House Committee Substitute for Senate Bill No. 307 Do Pass.

TED WEDEL, Chief Clerk

1289L.04C

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**AN ACT**

To repeal sections 139.031, 140.010 and 140.730, RSMo 2000, and to enact in lieu thereof three new sections relating to property taxes.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 139.031, 140.010 and 140.730, RSMo 2000, are repealed and three  
2 new sections enacted in lieu thereof, to be known as sections 139.031, 140.010 and 140.730, to  
3 read as follows:

139.031. 1. Any taxpayer may protest all or any part of any taxes assessed against [him]  
2 **such taxpayer**, except taxes collected by the director of revenue of Missouri. Any such taxpayer  
3 desiring to pay any taxes under protest shall, at the time of paying such taxes, file with the  
4 collector a written statement setting forth the grounds on which [his] **such taxpayer's** protest is  
5 based. The statement shall include the true value in money claimed by the taxpayer if disputed.  
6 2. Upon receiving payment of taxes under protest pursuant to subsection 1 of this section  
7 or upon receiving notice of an appeal pursuant to section 138.430, RSMo, the collector shall  
8 disburse to the proper official all portions of taxes not disputed by the taxpayer and shall  
9 impound in a separate fund all portions of such taxes which are in dispute. Except as provided  
10 in subsection 3 of this section, every taxpayer protesting the payment of taxes shall, within ninety  
11 days after filing [his] **such taxpayer's** protest, commence an action against the collector by filing  
12 a petition for the recovery of the amount protested in the circuit court of the county in which the  
13 collector maintains [his] **an** office. If any taxpayer so protesting [his] **such taxpayer's** taxes  
14 shall fail to commence an action in the circuit court for the recovery of the taxes protested within

**EXPLANATION —** Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

15 the time prescribed in this subsection, such protest shall become null and void and of no effect,  
16 and the collector shall then disburse to the proper official the taxes impounded, and any interest  
17 earned thereon, as provided above in this subsection.

18 3. No action against the collector shall be commenced by any taxpayer who has, for the  
19 tax year in issue, filed with the state tax commission a timely and proper appeal of the protested  
20 taxes. Such taxpayer shall notify the collector of the appeal in the written statement required by  
21 subsection 1 of this section. The taxes so protested shall be impounded in a separate fund and  
22 the commission may order all or any part of such taxes refunded to the taxpayer, or may  
23 authorize the collector to release and disburse all or any part of such taxes in its decision and  
24 order issued pursuant to chapter 138, RSMo.

25 4. Trial of the action in the circuit court shall be in the manner prescribed for nonjury  
26 civil proceedings, and, after determination of the issues, the court shall make such orders as may  
27 be just and equitable to refund to the taxpayer all or any part of the taxes paid under protest,  
28 together with any interest earned thereon, or to authorize the collector to release and disburse all  
29 or any part of the impounded taxes, and any interest earned thereon, to the appropriate officials  
30 of the taxing authorities. Either party to the proceedings may appeal the determination of the  
31 circuit court.

32 5. All the county collectors of taxes, and the collector of taxes in any city not within a  
33 county, shall, upon written application of a taxpayer, refund any real or tangible personal  
34 property tax mistakenly or erroneously paid in whole or in part to the collector, or shall credit  
35 against the taxpayer's tax liability in the following taxable year **and subsequent consecutive**  
36 **taxable years until the taxpayer has received credit in full for** any [real or personal property]  
37 tax mistakenly or erroneously levied against the taxpayer and collected in whole or in part by the  
38 collector, **or, if the taxpayer has no tax liability to such collector in the immediately**  
39 **following taxable year, refund any balance remaining on tax mistakenly or erroneously**  
40 **paid in whole or in part to the collector.** Such application shall be filed within one year **for**  
41 **personal property taxes and three years for real property taxes** after the tax is mistakenly  
42 or erroneously paid. [The governing body, or other appropriate body or official of the county or  
43 city not within a county, shall make available to the collector funds necessary to make refunds  
44 under this subsection by issuing warrants upon the fund to which the mistaken or erroneous  
45 payment has been credited, or otherwise.]

46 6. No taxpayer shall receive any interest on any money paid in by [him] **such taxpayer**  
47 erroneously.

48 7. All protested taxes shall be invested by the collector in the same manner as assets  
49 specified in section 30.260, RSMo, for investment of state moneys. A taxpayer who is entitled  
50 to a refund of protested taxes shall also receive the interest earned on the investment thereof. If

51 the collector is ordered to release and disburse all or part of the taxes paid under protest to the  
52 proper official, such taxes shall be disbursed along with the proportional amount of interest  
53 earned on the investment of the taxes due the particular taxing authority.

54 8. On or before March first next following the delinquent date of taxes paid under  
55 protest, the county collector shall notify any taxing authority of the taxes paid under protest  
56 which would be received by such taxing authority if the funds were not the subject of a protest.  
57 Any taxing authority may apply to the circuit court of the county or city not within a county in  
58 which a collector has impounded protested taxes [under] **pursuant to** this section and, upon a  
59 satisfactory showing that such taxing authority would receive such impounded tax funds if they  
60 were not the subject of a protest and that such taxing authority has the financial ability and legal  
61 capacity to repay such impounded tax funds in the event a decision ordering a refund to the  
62 taxpayer is subsequently made, the circuit court shall order, pendente lite, the disbursement of all or  
63 any part of such impounded tax funds to such taxing authority. The circuit court issuing an order  
64 [under] **pursuant to** this subsection shall retain jurisdiction of such matter for further  
65 proceedings, if any, to compel restitution of such tax funds to the taxpayer. In the event that any  
66 protested tax funds refunded to a taxpayer were disbursed to a taxing authority [under] **pursuant**  
67 **to** this subsection instead of being held and invested by the collector [under] **pursuant to**  
68 subsection 7 of this section, such taxing authority shall pay the taxpayer entitled to the refund  
69 of such protested taxes the same amount of interest, as determined by the circuit court having  
70 jurisdiction in the matter, such protested taxes would have earned if they had been held and  
71 invested by the collector.

72 9. No appeal filed shall stay any order of refund, but the decision filed by any court of  
73 last review modifying the circuit court's or state tax commission's determination pertaining to  
74 the amount of refund shall be binding on the parties, and the decision rendered shall be complied  
75 with by the party affected by any modification within ninety days of the date of such decision.  
76 No taxpayer shall receive any interest on any additional award of refund, and the collector shall  
77 not receive any interest on any ordered return of refund in whole or in part.

140.010. [All real estate upon which the taxes remain unpaid on the first day of January,  
2 annually, are delinquent, and the county collector shall enforce the lien of the state thereon, as  
3 required by this chapter.] **All real estate taxes must be received by or postmarked December**  
4 **thirty-first, annually, and all that remain unpaid on January first are delinquent, and the**  
5 **county collector shall enforce the lien of the state thereon, as required by this chapter. If**  
6 **December thirty-first is a Sunday, then all real estate taxes must be received by or**  
7 **postmarked January second, and all that remain unpaid on January third are delinquent,**  
8 **and the county collector shall enforce the lien of the state thereon, as required by this**  
9 **chapter.** Any failure to properly return the delinquent list, as required by this chapter, in no way

10 affects the validity of the assessment and levy of taxes, nor of the foreclosure and sale by which  
11 the collection of the taxes is enforced, nor in any manner affects the lien of the state on the  
12 delinquent real estate for the taxes unpaid thereon.

140.730. 1. Tangible personal property taxes assessed on and after January 1, 1946 and  
2 all personal taxes delinquent at that date, shall constitute a debt, as of the date on which such  
3 taxes were levied for which a personal judgment may be recovered against the party assessed  
4 with such taxes before any court of this state having jurisdiction.

5 2. All actions commenced pursuant to this law shall be prosecuted in the name of the  
6 state of Missouri, at the relation and to the use of the collector and against the person or persons  
7 named in the tax bill, and in one petition and in one count thereof may be included the said taxes  
8 for all such years as may be delinquent and unpaid, and said taxes shall be set forth in a tax bill  
9 or bills of said personal back taxes duly authenticated by the certificate of the collector and filed  
10 with the petition; and said tax bill or tax bills so certified shall be prima facie evidence that the  
11 amount claimed in said suit is just and correct, and all notices and process in suits pursuant to  
12 this chapter shall be sued and served in the same manner as in civil actions, and the general laws  
13 of this state as to practice and proceedings and appeals and writs of error in civil cases shall  
14 apply, as far as applicable, to the above actions; provided, however, that in no case shall the state,  
15 county, city or collector be liable for any costs nor shall any be taxed against them or any of  
16 them.

17 3. For the purpose of this chapter, personal [tax bills shall become delinquent on the first  
18 day of January following the day when said bills are placed in the hands of the collector] **taxes**  
19 **must be received by or postmarked December thirty-first, annually, and all that remain**  
20 **unpaid on January first are delinquent. If December thirty-first is a Sunday, then all**  
21 **personal taxes must be received by or postmarked January second, and all that remain**  
22 **unpaid on January third are delinquent**, and suits thereon may be instituted on and after the  
23 first day of February following, and within three years from said day.

24 4. Said personal tax shall be presented and allowed against the estates of deceased or  
25 insolvent debtors, in the same manner and with like effect, as other indebtedness of said debtors.  
26 The remedy hereby provided for the collection of personal tax bills is cumulative, and shall not  
27 in any manner impair other methods existing or hereafter provided for the collection of the same.